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FDO 57
JUNE 22, 1943

WAR FOOD ADMINISTRATION

[FDO 57]

PART 1460—FATS AND OILS

INVENTORIES OF RAW LINSEED OIL SET ASIDE

The fulfillment of requirements for the defense of the United States will result in a shortage in the supply of raw linseed oil for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1460.17 Inventories of raw linseed oil required to be set aside—(a) Definitions. (1) "Person" means any individual, partnership, association, business trust, corporation, or any organized group of persons whether incorporated or not.

(2) "Inventory", with respect to any person, means the quantity of linseed oil of all kinds to which such person has legal title on the effective date of this order.

(3) "Governmental agency" means the Food Distribution Administration, War Food Administration, or any other governmental agency designated by the Director.

(4) "Offer to sell" means to offer raw linseed oil for sale to a governmental agency on the following terms and conditions:

(i) The offer shall be made by telegram addressed to the Chief, Fats and Oils Branch, Food Distribution Administration, War Food Administration, Washington, D. C.

(ii) The purchase price shall not exceed ceiling prices established by the Office of Price Administration.

(iii) Delivery of the oil shall be made within ten days after the acceptance of the offer.

(iv) The offer shall be for acceptance within seven days after the date thereof, and

(v) All or any part of the oil offered may be accepted.

(5) "Director" means the Director of Food Distribution, War Food Administration, or any employee of the United States Department of Agriculture designated by such Director.

(b) **Reports of inventories.** Every person who has an inventory of 240,000

pounds or more shall, within ten days after the effective date of this order, file with the Director a true and correct report of his inventory showing the amount and location of each kind of linseed oil to which he had legal title on the effective date of this order.

(c) **Restrictions on the use, consumption and processing of raw linseed oil.** On or after the effective date of this order, no person, who has an inventory of 240,000 pounds or more, shall process, use or consume any raw linseed oil which is a part of his inventory, except as provided for in paragraph (f) of this order.

(d) **Restrictions on the sale and delivery of raw linseed oil.** On or after the effective date of this order, no person, who has an inventory of 240,000 pounds or more, shall sell, contract to sell, or deliver any raw linseed oil which is a part of his inventory, except to a governmental agency or as provided for in paragraph (f) of this order.

(e) **Restrictions on the use, consumption, processing and delivery of inventories.** After this order has been in effect for five days, no person, who has an inventory of 240,000 pounds or more, shall use, consume, process or deliver any part of such inventory, except as provided for in paragraph (f) of this order.

(f) **Exemptions.** Notwithstanding the provisions of paragraphs (c), (d), and (e) of this order:

(1) Any person who has made an offer to sell a quantity of raw linseed oil from his inventory to a governmental agency, equal to either 25 percent of his inventory or all of the raw linseed oil in such inventory, whichever is the smaller, may thereupon use, consume, process, sell, contract to sell, or deliver the remainder of his inventory without regard to the restrictions imposed by said paragraphs, and

(2) Any person who has made an offer to sell pursuant to the provisions of paragraph (f) (1) of this order may at the expiration of seven days after the date of the offer likewise use, consume, process, sell, contract to sell, or deliver any raw linseed oil covered by such offer which a governmental agency has not then contracted to purchase.

(g) **Contracts.** The restrictions of this order shall be observed without re-

gard to contracts heretofore or hereafter entered into, or any rights accrued, or payments made thereunder.

(h) **Audits and inspections.** The Director shall be entitled to make such audit or inspection of the books, records and other writings, premises or stocks of linseed oil of any person, and to make such investigations, as may be necessary or appropriate, in his discretion, to the enforcement or administration of the provisions of this order.

(i) **Records and reports.** The Director shall be entitled to obtain such information from, and require such reports and the keeping of such records by, any person, as may be necessary or appropriate, in his discretion, to the enforcement or administration of the provisions of this order.

(j) **Bureau of the Budget approval.** The reporting requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. Subsequent specific record-keeping or reporting requirements by the Director will be subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(k) **Petition for relief from hardship.** Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may apply in writing for relief to the Director, setting forth in such petition all pertinent facts and the nature of the relief sought. The Director may thereupon take such action as he deems appropriate, which action shall be final.

(l) **Violations.** The War Food Administrator may, by suspension order, prohibit any person who violates any provision of this order from receiving, making any deliveries of, or using linseed oil, or any other material subject to priority or allocation control by the War Food Administrator, and may recommend that any such person be prohibited from receiving, making any deliveries of, or using materials subject to the priority or allocation control of other governmental agencies. In addition, any person who wilfully violates any provision of this order is guilty of a crime and

may be prosecuted under any and all applicable laws. Further, civil action may be instituted to enforce any liability or duty created by, or to enjoin any violation of, any provision of this order.

(m) *Communications.* All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise provided herein or in-

structions to the contrary are issued by the Director, be addressed to the War Food Administrator, United States Department of Agriculture, Washington, D. C., Ref. FD-57.

(n) *Territorial extent.* This order shall apply only to the forty-eight States of the United States, and the District of Columbia.

(o) *Effective date.* This order shall become effective 12:01 a. m., EWT June 24, 1943.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423)

Issued this 22d day of June 1943.

JESSE W. TAPP,
Acting War Food Administrator.

Press Release Immediate:

Wednesday, June 23, 1943.

The War Food Administration today, moved to obtain linseed oil sufficient to meet emergency war needs by directing crushers to reserve 45 percent of their future raw oil production and directing holders of 240,000 pounds or more of all linseed oils to reserve 25 percent of their present inventories.

The action, taken in the issuance of two Food Distribution orders, will permit the government to buy necessary materials without the disruption of supplies often caused by sudden and irregular purchasing, it was explained.

The inventory order (FDO No. 57) is effective June 24, and requires the immediate attention of all holders of linseed oils. It provides that everyone hav-

ing an inventory of 240,000 pounds or more shall within 10 days file a report with the Fats and Oils Branch of the Food Distribution Administration, Washington, D. C., showing his holdings of all linseed oils.

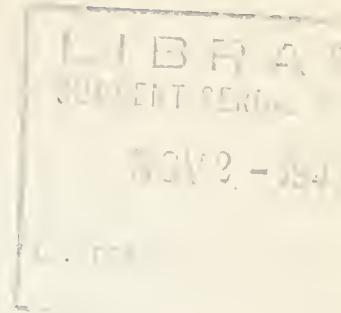
The order provides that after June 24, such owners shall offer to the Food Distribution Administration an amount of oil "equal to 25 percent of his inventory, or all the raw oil in such inventory, whichever is smaller." Pending this offer, oil holders may not use or dispose of any raw linseed stocks; and, if the offer has not been made within 5 days, holders may not use or dispose of any part of the inventory.

After the offer has been made, however, owners may use the balance of the inventory without restriction. If FDA does not accept the offer, in whole or in part, within 7 days, that portion of the

inventory likewise is freed from the restrictions.

FDO No. 57, is a "one time" order, officials said, and will be cancelled after the initial compliance. Its purpose is to locate abnormal inventories. No purchases will be made in less than tank car lots.

FDO No. 56, effective June 24, requires flaxseed crushers to make estimates of their raw oil production (from 1 to 6 months ahead) and offer 45 percent of that estimate to FDA for purchase. The oil cannot be used or disposed of in any way until the offer has been made, but after the offer has been made, the remaining 55 percent is free from restriction. If FDA does not purchase the product within 7 days, the reserved percentage of the oil likewise is freed from restrictions.



WAR FOOD ADMINISTRATION

[Revocation of FDO 57]

PART 1460—FATS AND OILS

INVENTORIES OF RAW LINSEED OIL

Pursuant to the authority vested in the War Food Administrator, it is hereby ordered as follows:

That Food Distribution Order No. 57 (8 F.R. 8626), issued by the Acting War Food Administrator on the twenty-

second day of June, 1943, be, and the same is hereby, revoked and terminated.

This order shall become effective on the 27th day of October 1943, at 12:01 a. m., e. w. t. However, with respect to violations of Food Distribution Order No. 57, or rights accrued, or liabilities incurred, prior to said date, said Food Distribution Order No. 57 shall be deemed to be in full force and effect for the pur-

pose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, or liability.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423)

Issued this 25th day of October 1943.

GROVER B. HILL,
First Assistant
War Food Administrator.

Press Release Immediate:
Wednesday, October 27, 1943.

The War Food Administration today announced the termination of Food Distribution Order No. 57 which required

holders of more than 240,000 pounds of linseed oil to set aside 25 percent of their inventories for war purposes.

The order became effective last June 24 and its purpose has been accomplished since it was designed to obtain a portion

of the holdings on that date. Current linseed oil needs are obtained by the Food Distribution Administration through operation of FDO 56, which requires crushers to offer 25 percent of their production to FDA.

